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**United States District Court**  
**Central District of California**  
**Western Division**

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11 In re:

SACV 15-00460 TJH

12 WILLIAM EISEN,

13 Debtor,

Order

14  
15 WILLIAM EISEN,

Bankruptcy No: 8:06-bk-10372-ES

16 Appellant,

17 v.

18 JEFFREY I. GOLDEN,

19 Appellee.

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22 The Court has considered Appellant's appeal of the Bankruptcy Court's Order  
23 allowing Administrative Claims, Professionals Fees and Expenses, Trustee Fees and  
24 Expenses as set forth in the Final Report of Bankruptcy Trustee Jeffrey I. Golden  
25 ("Order on Final Report").

1           Appellant designated the following issues on appeal: (1) Whether the  
2 Bankruptcy Court abused its discretion in overruling Eisen's objections by granting  
3 the Trustee's final application for payment of administrative claims without  
4 providing for payment of Eisen's secured creditor's claim; (2) Whether the  
5 Bankruptcy Court abused its discretion in declining to recognize Eisen's secured lien  
6 on funds obtained by the Trustee from the sale of property subject of a deed of trust  
7 in which Eisen acquired an interest after commencement of the bankruptcy case; (3)  
8 Whether the Bankruptcy Court abused its discretion in declining to recognize Eisen's  
9 secured lien without requiring an adversary proceeding to be filed against Eisen to  
10 invalidate his lien; and (4) Whether Eisen had been deprived of a valuable property  
11 right without being afforded due process of law.

12           However, the dispositive issue is whether the Bankruptcy Court abused its  
13 discretion by issuing the Order on Final Report even though the Trustee did not  
14 initiate an adversarial proceeding against Eisen to determine the validity of Eisen's  
15 purported lien interest on the trust deed on the real property located at 3514 Crest  
16 Drive, Manhattan Beach, California ("the Property"). Eisen purportedly received  
17 his lien interest from Danforth Properties, who, in turn, purportedly received its  
18 interest from Transamerica Home Loan Company ("Transamerica"). However, the  
19 Bankruptcy Court previously determined that because Transamerica was not licensed  
20 to conduct business in California on June 18, 1982, Transamerica's deed of trust on  
21 the Property was invalid and unenforceable. As such, Transamerica held no legal  
22 interest in the Property that could have been conveyed to Danforth Properties and,  
23 likewise, Danforth Properties held no legal interest in the Property that it could have  
24 conveyed to Eisen.

25           The Bankruptcy Court did not abuse its discretion in holding that  
26 Transamerica, Danforth Properties and Eisen did not have an enforceable deed of

1 trust or lien interest in the Property. *See In re Marciano*, 459 B.R. 27, 34 (9th Cir.  
2 BAP 2011). Further, the Bankruptcy Court applied the correct legal standard. *See*  
3 *In re Marciano*, 459 B.R. at 34. Moreover, the Bankruptcy Court's factual findings  
4 were not clearly erroneous. *See In re Marciano*, 459 B.R. at 34. The Bankruptcy  
5 Court's actions were not illogical, implausible, or without support in inferences that  
6 could be drawn from the record. *See In re Marciano*, 459 B.R. at 34.

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8 Accordingly,

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10 **It is Ordered** that the Bankruptcy Court be, and hereby is, **Affirmed**.

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12 Date: August 26, 2015

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Terry J. Hatter, Jr.  
Senior United States District Judge